



DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
WASHINGTON, DC 20380

MCO 4443.11
LPF-ncs
22 Jun 1981

MARINE CORPS ORDER 4443.11

From: Commandant of the Marine Corps
To: Distribution List

Subj: Local Retail Stock Fund Inventories

Ref: (a) UM 4400-71
(b) MCO P4400.76A

Encl: (1) Commands Authorized to Maintain Local Retail Stock
Fund Inventories

1. Purpose. To provide procedural guidance for the extension of intermediate (retail) stock fund inventories supporting base operations, to include procurement and issue of nonstocked, expense-type items.

2. Applicability. Stock fund financing of local inventories of expense-type items will be limited to those commands listed in the enclosure.

3. Background. Current Department of Defense policy provides that base operating funds will not be obligated for undelivered orders for expense-type items required for base operations. This policy will be included in the development of the Marine Corps Standard Supply System. As an interim measure, consumer funds may be obligated for the procurement of expense-type items not carried in the local stock fund inventory.

4. Definitions

a. Direct Support Stock Control (DSSC) Stock Fund Inventory. An intermediate (retail) level of supply, physically located on the same installation as the requiring activity, which is the regular source of supply for the requiring activity.

b. Base Activities. Those units for which total supply/logistical support responsibility is stated in the mission of the base command.

c. Expense-Type Items

(1) End items of equipment having a unit value of less than \$3,000 over which the inventory control point does not maintain centralized individual management throughout the supply system down to the user level.

(2) Nondepot reparable spares and consumable secondary items. (Excludes Recoverability Code D items as defined in reference (a).)

(3) Food, clothing, and other consumable supplies and materiel.

(4) Food preparation and serving equipment movable in nature regardless of cost.

d. Stocked Items. Items stocked in the DSSC outlets. These are items for which inventory records are maintained and which are identified in the DSSC catalogs.

e. Nonstocked items. Items not stocked in the DSSC outlets. These are items which are neither stocked nor cataloged because demand is not sufficient to warrant stockage; i.e., no requisitioning objective has been established.

f. Base Maintenance Insurance Items. Those items for which there is an occasional demand but demand is not sufficiently repetitive to warrant classification as a regular stocked item. Prudence, however, requires that a nominal quantity be on hand because the essentiality of the item makes the delay caused by the leadtime required to obtain such items unacceptable.

5. Action

a. Nonstocked Expense-Type Items. Expense-type items not carried in the local stock fund inventory will not be "washed through" the stock fund. Purchase orders/requisitions will be forwarded to the applicable commercial source/integrated manager, citing customer funds.

b. Base Maintenance Insurance Items. In order to properly classify base maintenance insurance items by stores account codes (SAC's), replacements will be effected, as follows:

(1) Those base maintenance insurance items that have a unit value which exceeds the criteria cited in paragraph 4c(1), preceding, shall be stored and accounted for in a DSSC issue point and reported as SAC 3, Management Echelon Code (MEC) X5 inventory until issued.

(a) Replacements for insurance items which have been issued for use will be procured by the DSSC issue point, citing customer appropriation data. To establish these items on the inventory record, receipt transactions (Document Identifier Code (DIC) B6_) will be processed to Subsystem 04 to take up the item in SAC 3, MEC X5. At the time of issue, a nonreimbursable issue (DIC B7) must be processed in stores.

(b) If an insurance item is considered reparable, the customer appropriation (funds) shall be charged for the cost of the repair. The repaired item will be returned to stock; and a receipt transaction (DIC B6_) will be processed in SAC 3, MEC X5 at the standard price of the item issued.

(2) Those base maintenance insurance items which meet the criteria cited in paragraph 4c(1), preceding, shall be stored and accounted for in a DSSC issue point under SAC 1 using the appropriate MEC until issued for use.

(a) Replacements for items issued will be procured by the local intermediate (retail) stock fund. To establish the items on the inventory record, receipt transactions (DIC B4_) will be processed to Subsystem 04. At the time of issue, a reimbursable issue (DIC B7_) must be processed in stores. Insurance items should be reflected in the Project Requirements File (E05) to ensure that they are retained as protected inventory and to prevent them from being reported as excess.

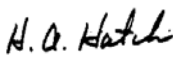
(b) If the replaced item is reparable, the customer appropriation (funds) will be charged with the actual cost of repair and the item returned to stock. A receipt transaction (DIC B6_) will be processed at the standard unit price of the item issued. Procurement with stock funds shall be reported through the shop store, self-service center, clothing, subsistence, or fuel accounts, as applicable.

c. Stocked Items. Customer requirements will be provided through the appropriate DSSC outlet. When a required item is temporarily out of stock and due to the urgency of the customer's need the DSSC issue point takes action to procure a quantity to fill the customer's requirement, such receipts and issues will be reported through the applicable DSSC outlet. Customer funds will not be obligated for the procurement of DSSC-stocked items.

d. Except for those items for which contractor-operated parts stores, or a similar type local supplier blanket purchase agreement not under the management of a DSSC activity, are the source of supply, or as otherwise directed by headquarters Marine Corps, the DSSC activity shall provide total supply support (administrative) for expense-type items for base operations funded by the Operation and Maintenance, Marine Corps appropriation. The DSSC activity shall also provide administrative supply support as an intermediate inventory to other customers for nonstocked items for which the integrated materiel manager or General Services Administration is the source of supply.

e. The DSSC accounts (shop stores, self-service, subsistence, fuel, and clothing) shall operate in accordance with the instructions contained in reference (b).

6. Reserve Applicability. This Order is not applicable to the Marine Corps Reserve.


H. A. HATCH
Deputy Chief of Staff
for Installations and Logistics

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COMMANDS AUTHORIZED TO MAINTAIN LOCAL RETAIL STOCK FUND
INVENTORIES

Marine Corps Development and Education Command, Quantico,
Virginia

Marine Corps Logistics Base, Albany, Georgia

Marine Corps Logistics Base, Barstow, California

Marine Corps Base, Camp Lejeune, North Carolina

Marine Corps Base, Camp Pendleton, California

Marine Corps Recruit Depot, Parris Island, South Carolina

Marine Corps Recruit Depot, San Diego, California

Marine Corps Air-Ground Combat Center, Twentynine Palms,
California

Marine Corps Base, Camp Smedley D. Butler

ENCLOSURE (1)